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MHARD, Ludade

PEDERAL REPUBLIC OF GERMANY

Vice Chancellor and Minister of Beenemics

Ludwig Erhard, a professional economist of many years standing, has been Federal Himister of Economics since September 1949. The "German miracle" of economic recovery and the role it played in the victory of the Christian Democratic Union (CDU) in the 1953 <u>Bundestag</u> elections have lent immense prestige and widespread renown to Erhard's name.

Apostle of the "free market economy," Erhard is the outstanding German exponent of an unfettered economic system, with social, but not socialistic, aims.

Erhard is a supporter of European union and of German participation in the Coal-Steel Community. He feels, however, that the CSC and similar projects can achieve only limited objectives, and that, because of the controls and administrative apparatus it entails, further economic integration of this type would not be in the interest of a freer and more productive European economy. Erhard believes that the indispensable condition for restoration of European economic unity is the elimination of financial and economic controls, direct and indirect subsidies, customs barriers, foreign exchange controls, cartels, and all forms of trade discrimination.

Himister Erhard firmly believes in German alignment with the West and is a strong advocate of a German defense contribution. He is enthusiastically pro-American and frequently takes public cognisance of U.S. financial contributions to West Germany. In 1951 he declared: "America has given us the courage and strength to start life answ."

Erhard was born in 1897 at Purth/Bavaria. He studied at the Frankfurt University where he was awarded a doctorate in political economy in 1924. From 1933 until 1942 he served as director of the Institute for Economic Observation at Nümberg until Naxi pressure forced his resignation. He then became director of the Institute for Industrial Research in Numberg and Bayreuth. He is reported to have been in frequent contact with Karl Goerdeler, a leading figure in the July 1944 plot against Hitler.

After the war Erhard served as economic adviser to American Military Government in Upper and Kiddle Franconia and as Bavarian state minister for economic affairs. From 1947 until 1949 he was associated with the Bisonal Economic Administration, first as Director of the special office which prepared the currency reform of 1948, and thereafter as Director of the Administration for

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ESHARD, Ludwig (continued)

Economics. Erhard joined the CDU in 1949 because of the support the party had extended him while he was with the Risonal Economic Administration. His interest in party politics appears to be confined to the backing he can receive for implementation of his economic plans. He was elected to the <u>Bundestag</u> from the Ulm district in Westtesberg-Baden in 1949 and 1953.

Erhard is married and is a Protestant.

Since October 1957 when the third Adenauer Administration took office Erhard has been named Vice Chancellor and at present appears to be the most logical successor to Adenauer.

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